

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STR-04 TRSE-00 COME-00

FEA-01 AGRE-00 CEA-01 CIAE-00 DODE-00 FRB-03 H-01

INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01

EPG-02 AID-05 SS-15 ITC-01 USIA-06 PRS-01 SP-02

OMB-01 OIC-02 OES-07 ERDA-05 FPC-01 /116 W

-----131049Z 074991 /20

R 122138Z MAY 77

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 3450

INFO USDEL MTN GENEVA

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E.O. 11652: N/A

TAGS: CA, ENRG

SUBJECT: PETROCHEMICAL TARIFF TALKS

REF: STATE 61550

1. UPON RECEIPT REFTEL ECON COUNSELOR COMMUNICATED OUR POSITION ON PETROCHEMICAL TALKS ORALLY TO EXTAAF, ITC AND EMR AND FOLLOWED WITH LETTER TO OFFICIALS IN THE THREE DEPARTMENTS. GHERSON, GENERAL DIRECTOR, WESTERN HEMISPHERE BUREAU, ITC, HAS NOW REPLIED AS FOLLOWS:

BEGIN TEXT.

THANK YOU FOR YOUR LETTER OF MARCH 14, 1977 WITH REGARD TO POSSIBLE CANADA-U.S.A. DISCUSSIONS TO EXPLORE HOW PETROCHEMICAL DEVELOPMENTS MIGHT BEST BE ENHANCED IN A MULTILATERAL AND A BILATERAL CONTEXT.

THE PETROCHEMICAL INDUSTRY IS OF KEY IMPORTANCE TO BOTH CANADA AND THE U.S.A. IN THE CANADIAN PROVINCES OF ALBERTA, ONTARIO AND QUEBEC, THIS INDUSTRY HAS PROVIDED LIMITED OFFICIAL USE

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A VERY DESIRABLE UPGRADING OF SCARCE DOMESTIC RESOURCES, WITH SIGNIFICANT EMPLOYMENT OPPORTUNITIES IN DOWNSTREAM PRODUCTION. AS FACTORS AFFECTING THE PETROCHEMICAL INDUSTRY HAVE CHANGED RATHER DRAMATICALLY IN THE LAST FEW YEARS, WE CONSIDER THAT THE PROPOSED CANADA-U.S.A. DIALOGUE ON THIS SUBJECT COULD PROVE VERY USEFUL AT THIS TIME. END TEXT.

2. IN SUBSEQUENT CONVERSATION WITH GHERSON, GHERSON  
SAID:

(A) HIS REPLY IS NOT A COORDINATED GOC REPLY BUT REFLECTS  
VIEW OF ITC WHICH HAS PRIMARY RESPONSIBILITY FOR  
PETROCHEMICAL INDUSTRY;

(B) ALTHOUGH REPLY MAKES NO SPECIFIC REFERENCE TO GAS  
SUPPLY ASPECT OF EQUATION, "WE CERTAINLY DON'T EXCLUDE  
DISCUSSION IF YOU WISH TO RAISE IT"; AND

(C) PROSPECTIVE STRAUSS VISIT TO OTTAWA WOULD BE USEFUL  
OCCASION TO BEGIN DIALOGUE.

3. BEFORE PURSUING MATTER FURTHER WITH GOC, EMBASSY  
WOULD APPRECIATE WASHINGTON AGENCIES REACTION TO GHERSON'S  
POSITION. ENDERS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, TEXT, DIPLOMATIC DISCUSSIONS, TARIFFS, INTERGOVERNMENTAL COOPERATION, DIPLOMATIC COMMUNICATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 12-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977OTTAWA03834  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770169-0149  
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**Litigation History:**  
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**Message ID:** 9ad0b695-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 77 STATE 61550  
**Retention:** 0  
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**Review Content Flags:**  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Status:** NATIVE  
**Subject:** PETROCHEMICAL TARIFF TALKS  
**TAGS:** ENRG, CA, US  
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**Review Markings:**  
Margaret P. Grafeld  
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